

FISCAL NOTE

SB 3259 - HB 3296

March 4, 2006

SUMMARY OF BILL: Prohibits any person from knowingly giving an animal food or medicine that contains a substance creating a risk of transmission of "mad cow" disease. Authorizes the Department of Agriculture to conduct inspections, obtain samples, and review records to enforce this prohibition.

ESTIMATED FISCAL IMPACT:

**Increase State Expenditures – \$189,300 Recurring
\$102,500 One-Time**

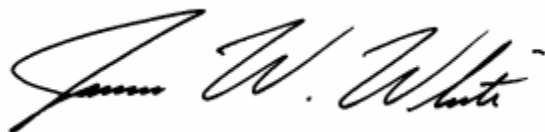
Other Fiscal Impact – Decrease Federal Expenditures – \$20,000 Recurring

Assumptions:

- According to the Department, this bill imposes stricter limitations on animal feed and medicine than under federal law. The Department would be required to conduct significant additional inspections and testing.
- Recurring costs of \$154,222 for salaries, benefits and travel related expenses for one additional Chemist 2 position and three Pesticide Inspector 2 positions for the Department to carry out these additional duties.
- Existing inspection fees are set by statute at 10 cents per ton on commercial feed manufactured in excess of 500 tons per year. There is no surplus existing fee revenue to cover the cost of these additional inspection requirements.
- One-time cost of \$85,000 to purchase a Polymerase Chain Reactor (PCR) for test confirmations and \$17,500 for computer equipment and various supplies. Total one-time costs of \$102,500.
- Reduction of \$20,000 in federal funds currently provided by contract for limited testing.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director